

The Board of Directors of the Lake County Land Reutilization Corporation (the "Board of Directors") met in regular session on Tuesday the 18th day of December, 2012 at 3:00pm in the Fifth Floor Conference Room of the Lake County Administration Center with the following Directors present:

JOHN S. CROCKER, COUNTY TREASURER AND CHAIR
GABE CICONETTI, TOWNSHIP DIRECTOR
RAYMOND E. SINES, COUNTY COMMISSIONER
DANIEL P. TROY, COUNTY COMMISSIONER
ANTHONY ZAMPEDRO, MUNICIPAL DIRECTOR

Mr. Sines moved to approve the minutes of September 27, 2012 and Mr. Zampedro seconded the motion.

AYES: 4

NAYS: -0-

ASBSTENTION: 1

LAKE COUNTY LAND REUTILIZATION CORPORATION
ORGANIZATIONAL AND SPECIAL MEETING
September 27, 2012
3:30 pm
County Auditor's Conference Room

RAYMOND E. SINES
DANIEL P. TROY
JOHN S. CROCKER

ANTHONY ZAMPEDRO
GABE CICONETTI

CALL TO ORDER: Secretary John M. Rogers called the meeting to order at 3:25 pm

ROLL CALL: The following were present: Commissioner Raymond E. Sines, Commissioner Daniel P. Troy, Deputy Treasurer John M. Rogers, Anthony Zampedro and Gabe Cicconetti, and Robin Darden-Thomas of the Thriving Communities Institute.

Mr. Rogers advised that Mr. Crocker is unable to attend this meeting and has asked that Mr. Rogers sit in his stead. All present agreed.

1. MOTION TO APPROVE MINUTES OF MEETING JULY 6, 2012

Motion: SINES Second: ZAMPEDRO
AYES: ALL NAYS: NONE

2. OLD BUSINESS

Report on Moving Ohio Forward Demolition Grant Program

Mr. Rogers advised that the Corporation has received and Mr. Crocker has executed the agreement from the Ohio Attorney General's Office awarding a \$500,000 grant; and \$150,000 matching funds requiring the LCLRC and/or the various communities to ante up a \$150,000 match in funds. The value of the Moving Ohio Forward Demolition Program for Lake County, at this point, is estimated to be \$800,000 of which 5% (\$40,000) can be used for administrative costs.

Commissioner Troy asked if the \$150,000 match can be funded from DTAC. Mr. Rogers advised Mr. Crocker has expressed a willingness to make the matching funds available in his effort to ensure the success of this program. A possibility would be to loan the LCLRC these funds up front with the understanding that they would be reimbursed when the DTAC component of the LCLRC's funding distribution occurs in the spring. Mr. Rogers noted that all communities have been advised of the matching requirement. As to the grant application itself, somewhere between 65-70 individuals were involved in its preparation. All communities will be asked to prioritize which properties should be taken down, and we have to decide how we are going to administer the demolition grant monies.

Commissioner Troy asked for a ballpark figure of costs to take down one structure. Mr. Rogers advised that for the purposes of this application, a figure of approximately \$8,000-\$8,500 was used with an additional cost estimated at \$2,000 for those properties requiring any asbestos abatement. For purposes of the application, it was estimated that 60% of the structures would not involve asbestos abatement and the remaining 40% may require abatement of some sort; the breakdown of the 84 residences identified was 50 units without, 34 with (84 homes designated for teardown).

Mr. Rogers advised that the Corporation only asked for \$650,000 of the approximate \$1.5 million available between the grant and matching funds. In speaking with the Attorney General's Office, he made the request to be able to use remaining funds if we are able and asked that they not to be allocated elsewhere. The Attorney General's Office advised that they would not allocate the money at least until the end of next year.

3. NEW BUSINESS:

a) STEFFE GRANT

Mr. Rogers indicated that a letter requesting a \$12,500 grant, available through the Thriving Communities Institute Steffe Grant, is in the process of being prepared. DTAC monies will supply matching funds. He also mentioned that prior to this meeting he and Robin Darden-Thomas met with Mike Matas to ensure accounts for the LCLRC are established correctly.

b) RESUMES/ LETTERS OF INTEREST FOR BOARD MEMBERSHIP

Mr. Rogers reviewed the eight resumes of individuals interested in serving as additional members of the Land Reutilization Corporation and the requirements established by the Corporation for the composition of the membership, one of whom must be a resident, real estate acquisitions. These have been distributed for review.

The Board discussed expansion of the membership by two or four members and reaffirmed that the action must be by unanimous consent of the ex-officio members, although the understanding was to invite participation. Mr. Crocker suggested someone meet the prospective members.

Mr. Troy suggested that while he understands the intent to expand, the Corporation is just getting up and running and there won't be anything for them to do except attend the next meeting.

Mr. Rogers indicated that the Corporation will have to decide how to oversee the management of demolition grant monies, and must choose to individually run that program or hire out an entity to oversee it on behalf of the Corporation.

Robin Darden-Thomas of the Thriving Communities Institute reinforced that the Corporation should make sure no conflict arises down the line for any of the prospective members which would require those members to recuse themselves.

Commissioner Sines inquired about the time frame regarding the grant. Mr. Rogers advised that that the funds must be expended by the end of next year (2013.)

Mr. Rogers reported that following the first board meeting, an advertisement was published in the newspapers requesting letters of interest. In the interim, letters of interest had been forwarded to Commissioner Troy or Treasurer Crocker.

Commissioner Troy proposed appointing Mayor Manross of Fairport Harbor who has been interested since the formation of the (Foreclosure) taskforce and Mr. Chafer who has been active in the Real Estate Community and would lend his expertise.

MOTION: **SINES:** to expand Board **SECOND:**
 AYES: ALL **NAYS:** NONE

MOTION: **SINES:** Below **SECOND:** Troy

To appoint Tim Manross to the Board for a 2 year term commencing November 1, 2012, and to appoint Mac Chafer for a 1 year term commencing November 1, 2012.

AYES: ALL **NAYS:** NONE

Commissioner Sines suggested that Mr. Rogers interview the remaining applicants and make a recommendation for two additional members at the next meeting. All present agreed.

c) DEMOLITION OVERSIGHT

Mr. Rogers reviewed letters of interest from the entities interested in overseeing the demolition program. Letters were received from the following:

- Burgess & Niple
- Complete Construction
- CT Consultants
- Green Solutions, Columbus
- Western Reserve Community Development
- RCD

d) DISCUSSION OF OVERSIGHT OF LCLRC DEMOLITION PROGRAM

Mr. Rogers reminded members that the grant must be expended by the end of 2013, and suggested developing a scope of duties for the administration of demolition program with consideration for a preference for any interested Lake County entities. The Board discussed the scope of responsibilities, the maximum administrative costs if the all monies were utilized and how this program would move forward in a timely manner.

The individual communities having identified properties that meet the program's criteria would first be required to obtain condemnation orders or demo orders from a court. The entity chosen to oversee the program would perform or contract out for assessments regarding asbestos, if remediation is needed and then contract for the demolition. The firms would prepare, maintain and provide all necessary paperwork for review by the Board or Director which would then be sent to the State Attorney General for reimbursement.

The Board discussed the use of the first \$500,000 of the grant, matching funds. The Board would decide where the grant monies would be used first with consultation of the participating communities and the possibility that any use of the matching funds component beyond the initial outlay would be dependent upon those individual communities having the funds available. Ultimately, as the Board begins to see how this plays, it will be in a better position to coordinate the program.

Commissioner Sines suggested that Mr. Rogers define the scope of work involved and prepare and forward a "Request For Proposal" to each of the interested companies pursuant to the Attorney General Program's Criteria. After some discussion as to what other Land Banks were doing statewide, the Board agreed with Mr. Sines suggestion regarding the preparation and distribution of an RFP.

d) OVERSIGHT OF LCLRC, POSITION OF DIRECTOR, SCOPE OF DUTIES

Ms. Robin Darden Thomas provided a copy of the scope of Director's duties from the Cuyahoga County Land Bank with critical elements to consider. She indicated that if the Board is going to hire someone for this position, they should really consider a renaissance person. The Board discussed the need for this person to oversee the demolition program versus an outside entity such as those previously discussed. While the hope is to have someone chosen sooner rather than later, it was determined that the immediate need was for the oversight of the demolition program and the director's position would be discussed at the next board meeting.

e) ESTABLISHMENT OF BANK ACCOUNT

The Board discussed accounting procedures and the need for establishing a bank account. Topics discussed included establishing signatories, financial procedures, a check book, auditing by the state, need to have someone maintaining books, initial budget (including administrative costs, project costs, that the responsible party should not be a county employee. In March, monies will be paid into a separate fund on the county side and then transferred to the land bank account for operating expenses. Mr. Rogers was asked to establish a bank account and look into finding an accountant.

f) ACQUISITION OF INSURANCE

The Board discussed the need for insurance. While the LCLRC is a tax exempt entity, it must maintain appropriate coverage for its Board Members, for properties that it may acquire and for operations. Mr. Rogers noted that Mr. Crocker had suggested considering local agencies for insurance coverage. He also advised that before the LCLRC can actually take possession of any properties and/or begin the Demolition program, it must have insurance. Upon the recommendation of everyone, Mr. Rogers was directed to inquire about insurance coverage.

g) REPORT ON TWO PARCELS OF LAND THAT MAY BE AVAILABLE FOR ACQUISITION

Mr. Rogers reviewed properties that the Prosecuting Attorney advised were developable, and had been auctioned but resulted with no buyers. He indicated that the Corporation is one of the entities that could acquire the properties and suggested that they would be worthwhile considering as they are located on a cul-de-sac, adjacent to 4 undeveloped parcels. The Corporation could obtain the properties for only the cost of transfer fees. The Lake County Auditor assessed the value of the properties at approximately \$71,000 each. The Board indicated its interest and Mr. Rogers will look into further.

4.) DISCUSSION REGARDING ADDITIONAL STEPS TO BE TAKEN WITH REGARD TO LCLRC INCLUDING BUT NOT LIMITED TO A MOU WITH COMMUNITIES

Mr. Rogers stated that he envisions the Corporation obtaining its own legal counsel, own accountant, own insurance and not relying on in-house services. Ms. Thomas suggested that the Corporation can utilize an agency that would have an accountant who could devote an hour or two per month. She advised that Hamilton County obtained services from its port authority which already had infrastructure in place and a lawyer operating it. WRCD may have their own. Also, Ms. Thomas suggested the potential of creating a website, perhaps even just for bylaws, minutes and agendas that could remain static but allows you to market your properties.

Other topics discussed were fiduciary responsibilities and DTAC funds, financial services in the event a need arose, lawn care and property maintenance, accepting homes from Freddie Mac, Fannie Mae, Wells Fargo and others and rehabbing of properties. Mr. Rogers also

mentioned that the Board might want to consider a veterans' program similar to what was recently publicized in South Euclid that occurred in conjunction with the organization Habitat for Humanity, where a home was provided to a recent returning vet.

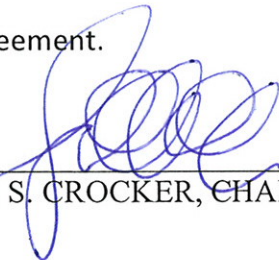
All of these ideas would or could be subject to the operational protocols once they are devised by the Board and then incorporated into any subsequent MOU between the various Lake County communities. The key is that there are so many possibilities

Ms. Thomas finally recommended that the Corporation review the Cuyahoga County Land Bank website for ideas on what to include when Lake County establishes its own site.

5. MOTION TO ADJOURN.

The meeting was adjourned at 4:27 pm by unanimous agreement.

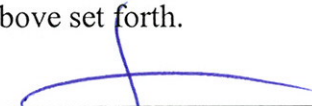
APPROVED: 12/18/12



JOHN S. CROCKER, CHAIR - LCLRC

The undersigned, Secretary of the Lake County Land Reutilization Corporation, certified that the foregoing is a true and correct transcription the minutes of the meeting of Tuesday December 18, 2012, of the Board of Directors of the Lake County Land Reutilization Corporation showing the adoption of the Minutes above set forth.

Dated: 12/18/12



JOHN M. ROGERS, Secretary
Lake County Land Reutilization Corporation